


Gemcorp Inc.

Fine Jewelry Appraisers and Consultants

 APPRAISAL
 PREPARED FOR: Andy Martin

June 4, 2008

REF#GC080604AM-1

The following appraisal report has been undertaken to determine the **WHOLESALE REPLACEMENT COST** of the item(s) described. Each item has been examined and researched to the best of my ability to determine the approximate wholesale replacement value, for the function of market comparison only. The procedure, wording and values would be different for any other function. The values expressed are based upon information available as of this date, and no opinion is offered as to any past or future value.

The appraised item(s) is understood to be owned by the client listed unless otherwise noted. Possession of the report, or a copy, does not carry with it the right of publication. Any use of this report for any function other than that defined renders this report null and void. We have retained a copy of this report and any original notes, which are confidential. We will not permit access to them by anyone without authorization of the client, unless legally compelled to do so. Maintain the original report in a safe place, using the photocopy for your needs.

The consideration paid for this report represents all services rendered for this report only. Testimony, attendance in court or at any other hearing, is not required by reason of rendering this report. Any future services requested, including those mandated under subpoena with regard to this report, will be subject to a separate fee due from the requesting party, at the current, published rates and terms.

All measurements are approximate. The quality analysis of gemstones may be limited by mounting and setting style (if applicable), examination time and/or lighting conditions. The grading nomenclature used for diamonds and gemstones is that developed by the Gemological Institute of America, with strict adherence to their standards, given the stated limitations.

The appraiser(s) undersigned personally examined and noted the condition of the items listed, with serious deficiencies noted. Ordinary wear and tear common to this item(s) has not been noted. Employment to produce this report, and compensation for it, are not contingent upon the value found.

Any applicable **taxes have not been included**, and are generally not considered applicable for wholesale prices. Shipping, handling and insurance costs should be added if applicable. This appraisal is offered with no other contingent or limiting conditions that would effect the values stated. Including this page, this report contains five (5) pages. If all are not present, this report is invalid for all purposes.

Stephen R. Turner, Graduate Gemologist (GIA)
 National Association of Jewelry Appraisers

EXPLANATION OF DIAMOND CUTTING GRADE NOMENCLATURE

The GIA system for cut grade applies only to round diamonds at this time. For consistency in our appraisal documents Gemcorp, Inc. has applied the principles of relative "brightness" and quality of manufacture that the GIA system calls for in round diamonds to the other shapes. In any case, the cut grade we assign for a fancy shape is our opinion of how the brilliance compares to other diamonds of that same shape.

Excellent	Diamond has been strictly finished for maximum brightness and light performance
Very Good	Near Excellent with minor deviations resulting in slightly reduced brilliance
Good	No extremes in proportions, with satisfactory finish and light performance
Fair	Apparent deviations in finish, proportions, and polish; lower overall brilliance
Poor	Obvious disregard for a diamond's appearance taken during cutting; minimal brightness

DIAMOND COLOR GRADE NOMENCLATURE

D E F	Colorless; extremely subtle differences in color
G H I J	Near colorless; diamonds will individually face up colorless when mounted
K L M N	Trace of color visible, larger diamonds are more tinted
O thru Z	Diamonds in these grades will display an obvious tint. Diamonds with a grade lower than "P" are rarely used in jewelry
Fancy	Special color category for diamonds of increased tone and saturation

GIA COLOR SCALE

D
E
F
G
H
I
J
K
L
M
N-Z

FLUORESCENCE

Many diamonds emit a visible light when exposed to ultraviolet radiation. Although fluorescence is not a factor in determining color or clarity grades, a description of its strength and color, if present, is provided for identification purposes.

DIAMOND CLARITY GRADE NOMENCLATURE

Internally Flawless	Free from inclusions; minor surface blemishes only
VVS 1	Very minute inclusions; extremely difficult to see at 10 x
VVS 2	Minute inclusions; very difficult to see at 10 x
VS 1	Minor inclusions; difficult to see under 10 x
VS 2	Minor inclusions; somewhat easy to see under 10 x
SI 1	Noticeable inclusions; easy to see under 10 x
SI 2	Noticeable inclusions; very easy to see under 10 x May be visible ONLY through diamond's pavilion
I 1	Obvious inclusions under 10 x. Usually visible to the unaided, trained eye, often not to the untrained eye
I 2	Very obvious inclusions under 10 x Easily visible to the untrained/unaided eye
I 3	Very prominent inclusions. Extremely easy to see without magnification. Often may effect durability

GIA CLARITY SCALE

FLAWLESS
INTERNALLY FLAWLESS
VVS1
VVS2
VS1
VS2
SI1
SI2
I1
I2
I3

GENERAL STATEMENT OF GEMSTONE ENHANCEMENT

As a consumer, you should be aware that many gemstones are subjected to processes that may enhance the gem's color and/or improve its clarity. These processes, many which have historically and traditionally been accepted by the gem trade, gives us more attractive, and sometimes more affordable quantities of gem material that we would not otherwise have. Improvements in technology continue to provide new treatments. Gemological research into effective means of detecting these treatments is an ongoing process. This research, however, cannot always keep up with these technological advances.

Below is a listing of the more commonly seen gemstones, along with the type and extent of the occurrence of the known enhancement. Where there is absolute evidence of an enhancement (or of no enhancement) not outlined on this listing, a notation is generally made in the body of this appraisal. Examination by a Gemological Laboratory may be recommended in some cases.

KEY TO ENHANCEMENTS:	H-Heating	D-Dying
	O-Oiling	I- Irradiation
	L-Lasering	P-Clarity Impregnation
	B-Bleached	F-Filling of surface cavities
	U-Diffusion of color	T-High temperature – high pressure color modification (diamonds)

KEY TO THE EXTENT OF THE OCCURRENCE OF ENHANCEMENT:

1. None	No known enhancement, or not enhanced
2. Rarely	Not often enhanced
3. Occasionally	A modest amount available are enhanced (25 to 50%)
4. Commonly	A large percentage are enhanced (50 to 90%)
5. Usually	Virtually all stones are enhanced (90% or more)
6. Always	Not known to be available other than enhanced
7. Unknown	Extent of treatment not known

AMBER	H; 3	AMETHYST	H; 4	AQUAMARINE	H; 5
CITRINE	H; 5	CORAL	B, D; 4	DIAMOND	P, I, L, T; 1 to 4, 7*
EMERALD**	F, P, D, O; 4 to 5	GARNET	1	JADEITE	D; 2 & 3
LAPIS	D; 4	OPAL	D, P; 2 & 3	PEARL	B, I, D; 5
RUBY	D, F, H; 2 to 5	SAPPHIRE	U, H; 2 to 5	TANZANITE	H; 6
TOPAZ	I, H; 5 & 6	ZIRCON	H; 5	TOURMALINE	I, H; 4 to 7

* High-temperature and high-pressure treated diamonds are virtually impossible to discern from untreated diamonds. Legitimate sellers inscribe the girdle indicating treatment. Incidences of treated diamonds without the telltale inscription have been found in the marketplace.

** Determining the substances used to fill the fissures of emerald is not often possible. Also, there may be occasions where more than one type is present.

We have attempted to cover the most common enhancements to the most commonly seen stones. This listing is by no means exhaustive. Consult your professional jeweler for a complete discussion on this subject.

WHOLESALE REPLACEMENT COST NEW is the cost necessary to replace, with new material of like kind, quality and similar utility, at current wholesale prices, the item being appraised. Wholesale means the price that would be paid for the item by an individual or firm that normally stocks and re-sells such items to the public. Shipping, handling and insurance costs related to the delivery of items from the wholesaler to the reseller must be added and can vary based upon the conditions of such delivery. Wholesale also means that the item is not intended for consumption by ultimate consumer.

DESCRIPTION OF ITEM

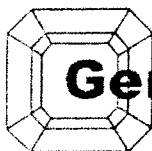
Stone #1

One un-mounted 3.007 carat, square modified brilliant (princess) cut diamond judged to be of good cutting, G.I.A. "O" color, "VS1" clarity and as described in detail on the attached Diamond Grading Report # GC080520-1M. A photograph of this diamond is shown below.

WHOLESALE REPLACEMENT COST NEW \$ 7,500.00



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National Association of Jewelry Appraisers



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Diamond Grading Report May 21, 2008

REPORT NUMBER **GC080521-1M**

The following were, at the time of the examination, the characteristics of the diamond described herein, based upon examination with one or more of these gemological aids: 10x binocular magnification, diamondlite, and master color stones, ultra violet, millimeter gauges, fiber optic lighting, electronic weight scale, proportionscope. Notations: All terminology based on the standards and nomenclature of the Gemological Institute of America. Mounted stones pose limitations to grading accuracy. All grades are the opinion of our gemologists based on careful examination, using modern techniques and equipment. No warranty is implied or expressed.

Shape and
Cutting Style

Square Modified Brilliant Cut

Measurements
Weight

8.18 x 8.00 x 5.36 millimeters

3.007 carat

☒ actual ☐ estimated-calculated ☐ actual weight, as stated by vendor

Color Grade

O

Clarity Grade

VS1

Cutting Grade

Good

Total depth

67.00%

Table 6.21 mm

77.60%

Girdle thickness

0.30 to 0.33 mm

Extremely Thick

☐ faceted ☒ polished ☐ frosted

Culet

None - Pointed

Ultraviolet Fluorescence:

Faint Orange

Crown Angle

Normal

Shape Appeal:

Very Good
fancy shapes only

Finish

Polish

Very Good

Symmetry

Good

Length to Width Ratio:

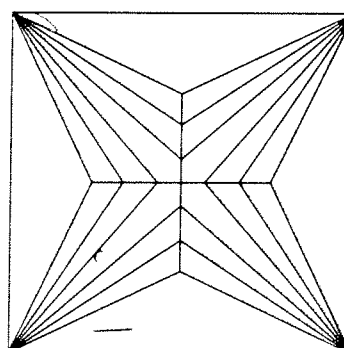
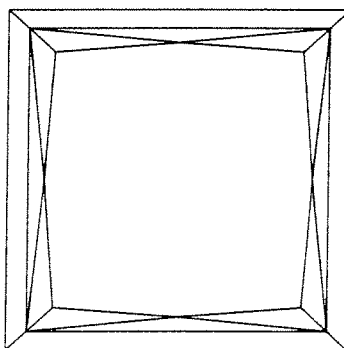
1.02
fancy shapes only

Comments:

KEY TO SYMBOLS

Prongs shown in black
Green denotes external
Red denotes internal

Abrasion-
Bruise- x
Cavity-
Cloud-
Crystal- o
Extra Facet- >
Feather- /
Grain Lines- ---
Indented Natural- >
Natural- >
Needle- /
Nick- >
Pinpoint- .
Scratch- ~
Surface Graining- ---
Twining Line- x



GIA
COLOR
SCALE

D

E

F

G

H

I

J

K

L

M

N-Z

GIA
CLARITY
SCALE

FLAWLESS

INTERNALLY
FLAWLESS

VVS1

VVS2

VS1

VS2

S11

S12

I1

I2

I3

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